

**P<sup>5</sup> — the compound interest formula for professional development**

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Networking with mentors is a common strategy pharmacy students and residents utilize for professional development as they begin their employment. As their careers evolve, many recognize that the skills they developed and the relationships they maintained are not as helpful in their future endeavors as they were at the start. This requires mid-career pharmacists to go back for additional education, training, or utilize a new set of mentors to help them achieve these different goals. Why do one's professional needs change over time and why were they not recognized at the start of their career?

While there could be many reasons for this, one is that some do not take a long-term view for their professional needs at the start of their career. This means that these individuals are comfortable living in the present, utilizing already developed skills to solve today's problems as opposed to preparing oneself today to solve tomorrow's problems. This lack of preparation could lead to missing out on opportunities because one is not ready when they present themselves.

If the average age for retirement is 65 for men and 63 for women, and one is 28 when finishing a residency, then a new residency graduate will have approximately 36 years of productive pharmacy work in their career.<sup>1</sup> In addition, during that time, most people will have about 5 or 6 different jobs or sets of responsibilities from age 28 to 52.<sup>2</sup> A few of the jobs and job titles that one will have in the future currently exist in pharmacy today, but many of them are not even imaginable.

If these statistics are true, then why are learners so focused on just the next step in their career journey, as opposed to looking farther out and preparing for these future jobs? Few learners make their employment decision based 10 to 20 years in the future, as the question that is most asked is "What is your job next year?" as opposed to "How is this job preparing you for your third or fourth job?" It is easier to think linearly about the title,

responsibilities, and salary as opposed to farther out, preparing for the healthcare and pharmacy services of 2040-2050. Because of this linear view, many pharmacists are not ready for the changes in the profession when they arrive and, thus, are forced to move into a reactionary and catch-up mode.

Also, the average student and resident graduates with significant financial debt. For students graduating in 2020, the average debt load is \$179,514 per person.<sup>3</sup> This can place a stranglehold on new pharmacists, specifically because they become tied to a job for the salary and are not always able to pursue their passions and take employment risks. Their debt burden does not allow the freedom and flexibility to plan and prepare for the future, like getting additional education, taking a lower-paying job because it might create bigger opportunities later, or resigning from a job that is toxic. A pharmacist with significant debt is also limited in building personal financial wealth and considering retirement because they are focused on paying off their student loans. Thus, the retirement date 40 years in the future might not be possible because they cannot afford to stop working. However, if one has had a discussion with a financial advisor, there are a few general principles they will use to help start the process of building wealth and preparing for future retirement. These include:

- A dollar today is worth more than a dollar tomorrow.
- If one is not accustomed to spending a dollar, one never knows it is missing.
- Investing now, and doing a little bit each month, can lead to significant wealth in the future.

Why is that last one true? It is because of the magic of compound interest. This is defined as earning interest on interest following an initial deposit. Albert Einstein is attributed as saying

“Compound interest is the eighth wonder of the world. He who understands it, earns it . . . he who doesn’t . . . pays it.”<sup>4</sup> Based upon this rule, *when* one starts saving outweighs *how much* one saves. Also, an investment left untouched for a while can become large, even if one does not add to it again. It can be even greater if one starts early and is consistent. These are principles that many financial advisors teach: paying off one’s debt as fast as possible and starting to build wealth for retirement.

If these principles are true for generating wealth, has one ever thought about applying the same logic and rules to a career? Can one invest early and often into professional development? Can one prepare now for the fourth or fifth job? Has one thought about what the profession of pharmacy might look like in 20 to 30 years and starting to prepare oneself for it? Has one ever thought about managing a career like one’s finances and taking advantage of compound interest through early investments?

Here is a proposed compound interest formula for one’s professional development: P<sup>5</sup>. This stands for patients, perseverance, precepting, participation, and pursuit of excellence—realizing that starting now with each one will lead to career satisfaction, but also preparing oneself for all professional opportunities that are out there. Here is what is meant by each one:

- 1. Patients.** Everything a pharmacist does begins and ends with the patient. No matter one’s responsibilities within the organization, whether a resident, pharmacist, technician, or administrator, all decisions impact a patient. While one knows that in concept, how much does this impact daily activities? When one prepares an IV, makes a decision about a nonformulary medication, or chooses whether to use a medication off-label, each of these interactions can impact a single patient. Taking shortcuts or placing

policies in front of the tough decision impacts someone. Making the correct decision will give one the courage to repeat that again in the future. No matter the direction of one's professional career over those 5 or 6 positions, all these responsibilities will have a patient at the end of it. If one always acts if one were at the bedside or advising a family member, then the decisions will usually be right and for the benefit of those one serves. This is just like what they recommend in investing: it is important to invest into companies that one knows (maybe even through use of their products), as one is then more invested into their success.

2. **Perseverance.** No one's career is linear. There are periods of time when it seems like nothing can go wrong, and there are other times when nothing can go right. How does one handle it when there is a management decision that one does not agree with or a supervisor that one cannot get along with? What would one do? Unfortunately, many people update their CV and begin to look for another position. They would rather leave and remove themselves from the situation as opposed to waiting and seeing what might result, or to work to change the situation. Professional impact can be greatest when one stays a significant amount of time in an organization. This requires perseverance. One develops institutional knowledge, long-standing relationships, and respect the longer they are employed in one place, and this drives impact more than title. Unfortunately, some pharmacists are focused on obtaining the next title and confuse this with professional impact. They go to the next job as quickly as they can, hopping across the country. There are similar parallels to investing. Keeping the stock of a company for many years can provide much greater returns than getting in and out of the market, as one can never time the market. Continued investment over time through dollar cost averaging will help to reduce the impact of the ups and downs in the market, ensuring

that volatility is minimized and returns are maximized. The same is true for continued investment in one's careers, allowing one to maximize professional and patient impact through perseverance.

3. **Precepting.** Pharmacists have a responsibility to invest in the next generation. Not only will this provide one with great professional satisfaction, but it will also ensure a smooth transition from school to practice, helping the student to be "practice-ready."

Depending on what one's role is in the organization, precepting opportunities might be difficult. Even if it's not easy, one should still intentionally seek these out, and if one's organization is not set up for rotations, there are many other ways to invest in learners. This includes being a mentor, sponsoring a research project, or assisting during a student's or resident's staffing shifts. Students and residents can also teach a significant amount just through asking questions. They have new viewpoints and can challenge the status quo. It is just like investing in our children's education. A 529 plan is established to ensure children do not have educational debt coming out of college so that they can start their career with as much potential for success as possible. The same is true with precepting and investing time into the next generation of pharmacists.

4. **Participation.** Unfortunately, fewer pharmacists are getting involved in professional associations. Whether at the local, state, or national level, membership in these organizations should be the baseline professional obligation. State organizations struggle with impact because of a lack of members. Besides the busyness of life and having to make tough decisions on how one budgets money, many pharmacists look to their employer and not the state organization for their professional development. This perspective leads to lack of involvement in the professional organization, because pharmacists do not see the value of it. This ultimately leads to a slow demise of impact

for the association. Even if one has little desire to run for leadership positions in state or national associations, these organizations still need membership and support. It is also a great place to meet people and to develop lifelong colleagues. Just like investing in your 401K or Roth IRA, one needs to join professional organizations and watch that professional investment grow over time. A person who joins helps to build for the future, and if these dollars are part of the budget (like retirement contributions), one will never know they are missing.

5. **Pursuit of excellence.** All pharmacists need to ensure that everything they do is focused on excellence. This does not come easy. It requires hard work, consistency, and a desire for perfection. It is also not a static point in time. The marker keeps getting moved, and one needs to push oneself and their employer to attain it. Ken Barker, in his Harvey A.K. Whitney Award address, used the term *pseudopharmacy*.<sup>5</sup> He defined it as talking about or dabbling at doing something, which is different from doing it with high quality all the time. For example, a pharmacy director might state that their department conducts medication reconciliation, but in reality it is performed only on a few services during certain shifts as opposed to on every patient every day; this is pseudopharmacy. The focus of all pharmacists should be to pursue excellence and ensure that one strives for quality always: for all patients at all times. The same is true in investing. We need to invest in companies that has a strong record of growth and good returns (blue-chip stocks). These companies have an obligation to protect their investments and to keep providing returns, just like a pharmacist needs to ensure they are providing the same type of patient impact at all times.

No matter where one is in their career, it is never too late to invest in the future. Whether investing money for generating wealth or investing into the pharmacy profession and the

future, each pharmacist should start now and do a little each month. There is an old Chinese proverb that states, “The best time to plant a tree was 20 years ago. The second-best time is now.”<sup>6</sup> If each pharmacist focuses on these 5 P’s, the profession would be able to achieve its ideals.

### **Disclosures**

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### **Additional information**

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